(b) if so, what are the outlines in general of such proposals;

(c) whether it is a fact that MTNL has not been able to deliver simple services like Directory Information to the public; and

(d) if so, what is the rationale behind the attempt to expand services?

THE MINISTER OF COMMNICATIONS (SHRI BENI PRASAD VARMA): (a) Yes, Sir.

(b) MTNL is proposing to introduce intelligent network services in the near future, in addition to operation of the paging and cellular services.

(c) No, Sir.

(d) Does not arise in view of (c) above.

Operating Margins in MTNL

786. SHRI YERRA NARAYANASWAMY: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether it is a fact that the opearting margins in MTNL have declined from 52.2% in the first half of 1996-97 to 48.1% in 1997-98;

(b) if so, what are the reasons for its fall;

(c) whether it is a fact that MTNL is charging customers exorbitant rates for its services; and

(d) if so, the steps proposed to reduce the charges?

THE MINISTER OF COMMUNICATIONS (SHRI BENI PRASAD VARMA):

(a) Yes, Sir.

(b) The reasons are:

(i) The increase in remuneration of employees due to the implementation of the Vth Pay Commission recommendations; and

(ii) increase in other expenditure due to inflation while there is no increase in tariff rates.

(c) No, Sir.

(d) Does not arise in view of (c) above.

Subscriber Loop Carrier System

787. SHRI DIPANKAR MUKHERJEE: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether MTNL procured 10020 Subscriber Loop Carrier (SLC) System and 131 racks during 1989-93 worth Rs. 764 lakhs;

(b) if so, the name of the suppliers;

(c) the number of SLCs & racks lying idle and un-utilised as on-date; and

(d) the reasons for the non-installation thereof so far and future plans to utilise the same?

THE MINISTER OF COMMUNICATIONS (SHRI BENI PRASAD VARMA): (a) to (d) The information will be collected and will be laid on the Table of the House.

VSNL on the mat over hub

788. SHRI AMAR SINGH: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether Government's attention has been drawn to the newsitem which appeared in the Pioneer dated 19th September, 1997, under the heading "VSNL ON THE MAT OVER HUB";

(b) if so, the details thereof; and

(c) what steps Government propose to take to protect national interest against the formation of joint ventures for promoting regional hub for South East Asia, Middle-East and CIS countries?

THE MINISTER OF COMMUNICATIONS (SHRI BENI PRASAD VARMA): (a) to (c) Yes, Sir, The Government is aware of the news item which contains, inter-alia, extracts from the letter written by Hon'ble Member of Parliament to the Prime Minister on VSNL tender for regional hub and compares it with MPEB tender process. The article also contains the views of the reporter of the article. The tender process for the strategic alliance of VSNL is transparent and the invitation has been sent to a large number of major telecome service providers (over 25 companies) in the world. The invitation for proposal contains a detailed questionnaire which is structured to elicit the key information required for assessing the bidders properly. A multi-disciplinary high level teams from VSNL and DOT has been constituted to avaluate the Bids and recommend the best partner. The evaluation process and